

PUBLIC DISCLOSURE

JANUARY 4, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

SOUTH SHORE CO-OPERATIVE BANK

**195 WASHINGTON STREET
WEYMOUTH, MASSACHUSETTS 02188**

**DIVISION OF BANKS
100 CAMBRIDGE STREET
BOSTON, MA 02202**

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire local community, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **South Shore Co-operative Bank** prepared by the Massachusetts Division of Banks, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "Satisfactory"

A CRA rating of "Satisfactory" is assigned. An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community in a manner consistent with its resources and capabilities. South Shore Cooperative Bank has shown a willingness to incorporate the regulations concerning CRA in its lending activity and services.

The bank's loan to deposit ratio has demonstrated an increasing trend over the past eight quarters, primarily the result of substantial increases in residential lending. For the period examined, the average ratio stood at 90.6%. Additionally, the bank has demonstrated a good distribution of loans to borrowers of moderate-income, making approximately 25.6% of all loans within that income group. The dispersion of credit among geographies of different incomes reflects the demographic composition of the assessment area, with the largest percentage of loans made within middle-income census tracts, which represent 76.9% of all census tracts. Finally, the bank has made the majority of loans within its assessment area, although it has concentrated most of its residential lending within the three towns surrounding its main branch, including Weymouth, Braintree and Quincy.

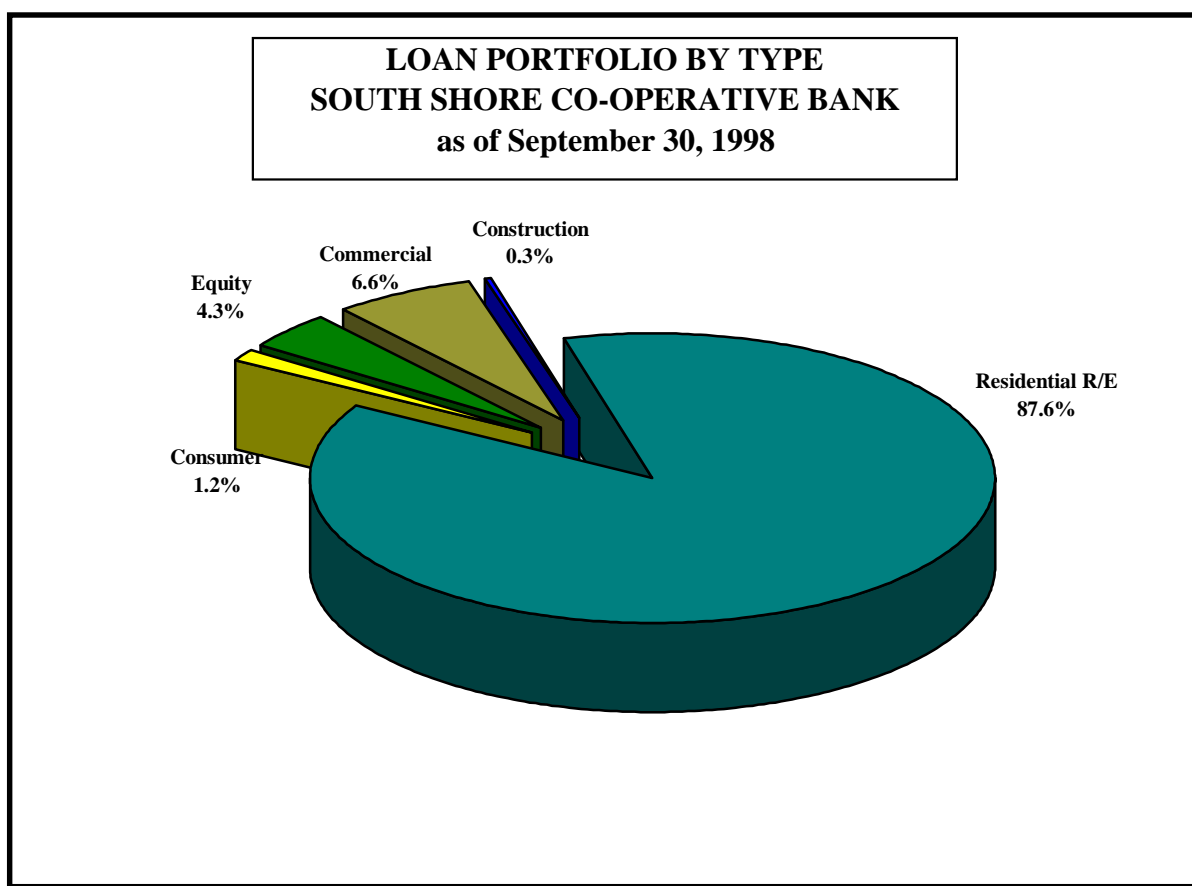
The bank adequately responds to the fair lending criteria outlined in the Division of Banks Regulatory Bulletin 2.3-101 and its minority application flow is reflective of the demographics within its assessment area.

PERFORMANCE CONTEXT

Description of Institution

South Shore Co-operative Bank is a mutually-owned, state chartered institution headquartered in Weymouth, Massachusetts. As of September 30, 1998 the bank had assets of \$68.1 million, of which \$49.8 million was in the form of loans. The bank is primarily a real estate lender with 87.6% of its loan portfolio consisting of residential real estate loans. The remaining loan portfolio consists of commercial loans at 6.6%; equity loans at 4.3%; consumer loans at 1.2%; and construction loans at 0.3%.

Refer to the following graph for additional information.



The bank has one office which is located at 195 Washington Street, Weymouth, MA .The bank maintains an Automated Teller Machine (ATM) at its main office which is connected to the Money Access Service (MAC) network with additional access to NYCE and Cirrus. Banking hours are considered convenient and accessible to the bank's customers.

There appears to be no significant financial or legal impediments, which would limit the bank's ability to help meet the credit needs of its assessment area.

South Shore Cooperative Bank has direct competition within the immediate area from several local institutions and branches of large institutions including BankBoston, Eastern Bank, South Shore Savings Bank and Weymouth Co-operative Bank. According to market share data generated by CRA Wiz, the bank's primary competitors are mortgage companies which operate within its assessment area.

The bank was last examined for compliance with CRA on November 24, 1997 by the Federal Deposit Insurance Corporation (FDIC). That examination resulted in a Satisfactory rating.

Description of Assessment Area

South Shore Co-operative Bank's assessment area is located in two Metropolitan Statistical Areas (MSAs): the Boston MSA and the Brockton MSA. The Towns included in the Boston MSA are Weymouth, Braintree, Hingham, Holbrook, Rockland, Milton, Randolph, Cohasset, Hull, Norwell, Scituate, Hanover, Pembroke, Marshfield, Duxbury, Kingston, Carver, Plymouth, and the City of Quincy. The Towns of Abington, Halifax, Hanson, Plympton and Whitman are located within the Brockton MSA .

Weymouth is the second oldest town in Massachusetts, and is primarily a residential suburb of Quincy and Boston. Route 3, which runs through the heart of the town, provides direct connection to Boston and to Route 128. As a result of the proximity to these highways, new areas for business and industry have developed within the town.

The bank's assessment area includes 95 census tracts. Of these tracts 1 or 1% is designated as low-income, 3 or 3.2% are designated as moderate-income, 73 or 76.9% are designated as middle-income and 17 or 17.9% are designated as upper-income. In addition, 1 census tract or 1.0% is designated N/A (Not Applicable) as it represents the Marshfield Fair Grounds.

According to 1990 Census data, housing in the bank's assessment area is composed primarily of single family frame units, which represent 81.1% of total housing units. The median age of structures within the assessment area is 42 years.

According to CRA WIZ, Inc. demographic data for 1998, the median value of a home is \$170,445, and the owner occupancy rate is 66.3%. Median family income for the assessment area is \$51,426.

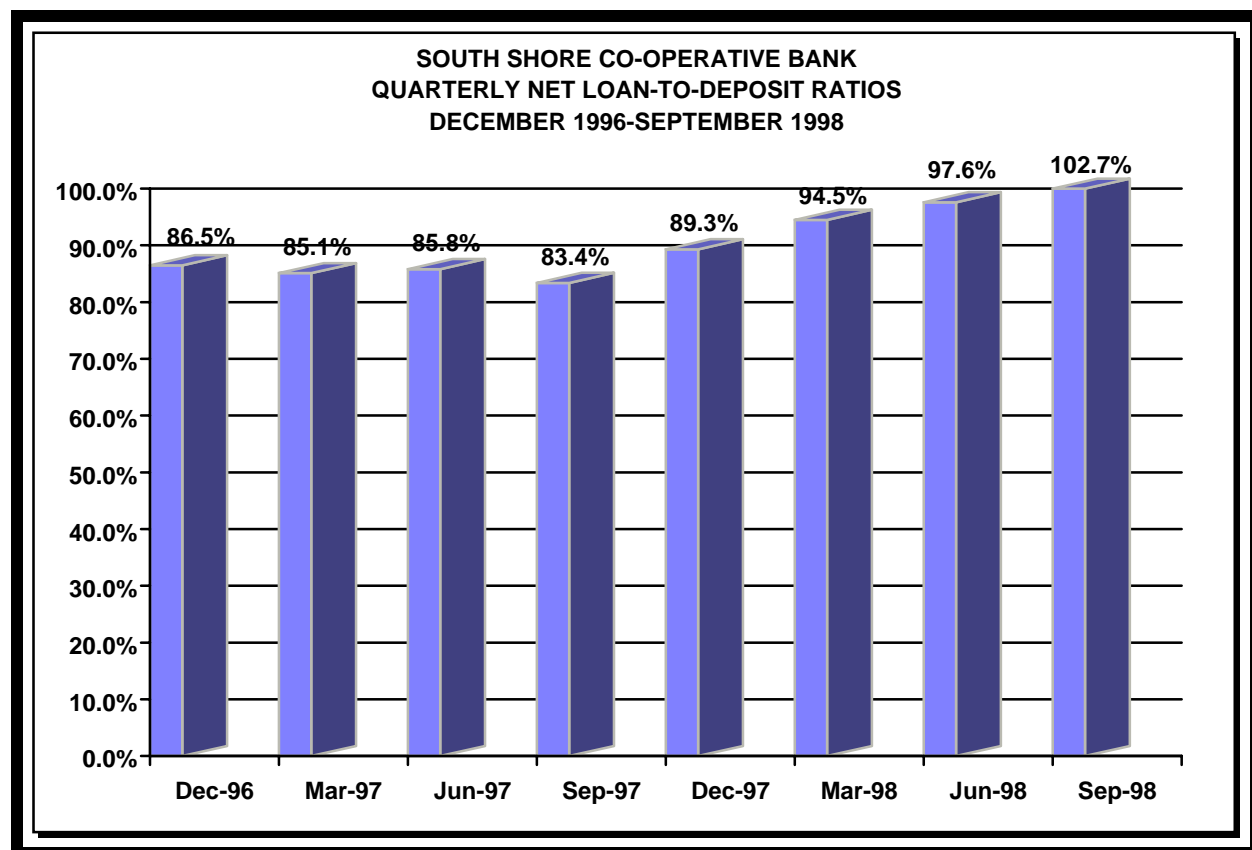
PERFORMANCE CRITERIA

1. LOAN TO DEPOSIT ANALYSIS

An analysis of South Shore Co-operative Bank's net loan to deposit ratio was performed during the examination. The calculation incorporated eight quarters of the bank's net loan to total deposit figures utilizing the FDIC quarterly call reports. This review included the quarters ending December 31, 1996, through September 30, 1998.

The institution's average net loan-to-deposit ratio during this period was determined to be 90.6%. The loan-to-deposit ratios are excellent given the size of the bank and the competitive environment in which it operates.

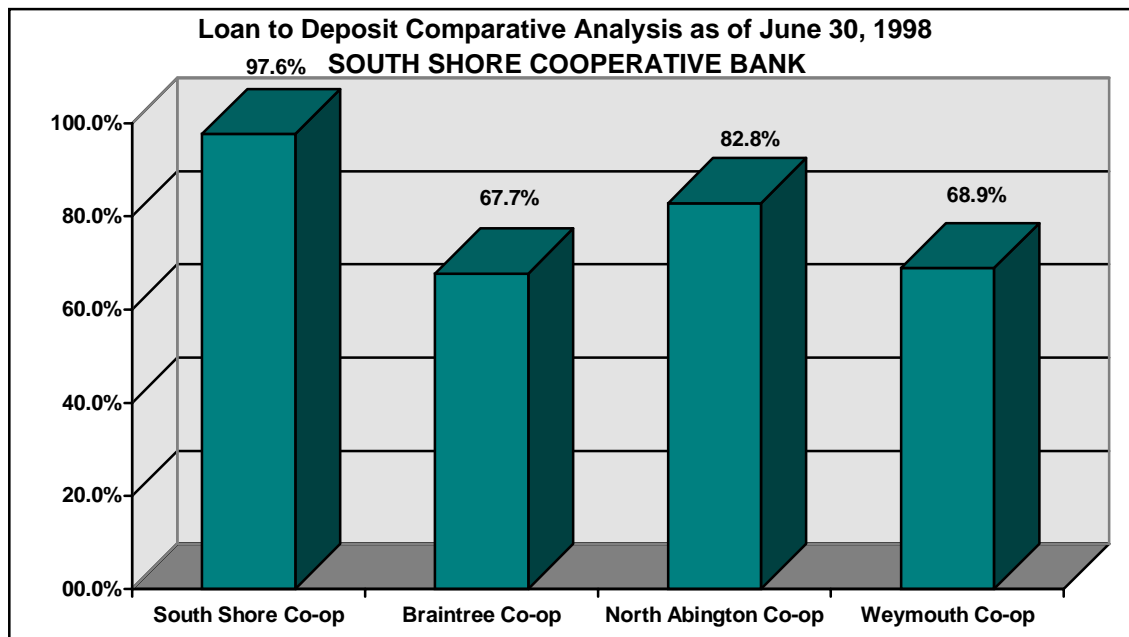
The following graph illustrates the loan to deposit trends.



Source: Quarterly FDIC Call Report Schedule RC-Balance Sheet

The bank has exhibited an increasing loan to deposit ratio during the period examined, the result of increases in residential lending. (It should be noted that the bank is affiliated with two mortgage brokers in Norwell and Braintree.) During the eight quarters examined, loans increased by 24.46 %, while deposits remained stable, increasing only at the rate of 1.23 %. The large increase in loans, and subsequent loan to deposit ratio of 103.0% as of September 1998, was the result of borrowings from the Federal Home Loan Bank of Boston.

The following graph illustrates loan-to-deposit ratios for similarly situated institutions within the bank's assessment area as of June 30, 1998 in comparison to the bank.



As of June 30, 1998 South Shore Co-operative Bank's loan-to deposit ratio as compared to its peer is significantly higher.

Based on the above information and South Shore Co-operative Bank's capacity to lend, the capacity of other similarly-situated institutions to lend in the assessment area, demographic and economic factors present in the assessment area, and the lending opportunities available in the assessment area, South Shore Co-operative Bank's loan-to-deposit ratio exceeds the standards for satisfactory performance.

2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA.

Data regarding the bank's residential mortgage lending activity for 1997 and 1998 was reviewed to determine the proportion of loans made within the assessment area by number of originations and dollar amount. Mortgage lending data was obtained from the bank's Loan Application Register (LAR) filed under the provisions of the Home Mortgage Disclosure Act (HMDA).

As the following table indicates, the bank originated 185 HMDA reportable loans during this period. A total of 125 loans or 67.6% were originated within the bank's assessment area. The Town of Weymouth represented the highest number of residential loan originations with 55 or 29.7%.

The following table provides a breakdown of the number of residential loan originations inside and outside the bank's assessment area.

**RESIDENTIAL LENDING ACTIVITY INSIDE AND OUTSIDE THE
ASSESSMENT AREA BY NUMBER**

	1997		1998		TOTALS	
LOCATION	#	%	#	%	#	%
WEYMOUTH	16	25.4	39	32.0	55	29.7
BRAINTREE	8	12.7	9	7.4	17	9.2
QUINCY	5	7.9	7	5.7	12	6.5
HINGHAM	4	6.4	3	2.5	7	3.8
SCITUATE	3	4.7	3	2.5	6	3.2
KINGSTON	1	1.6	4	3.3	5	2.8
ROCKLAND	2	3.2	3	2.5	5	2.8
MARSHFIELD	1	1.6	2	1.6	3	1.6
PEMBROKE	3	4.7	0	0.0	3	1.6
PLYMOUTH	0	0.0	3	2.5	3	1.6
DUXBURY	0	0.0	2	1.6	2	1.1
MILTON	0	0.0	2	1.6	2	1.1
NORWELL	2	3.2	0	0.0	2	1.1
HALIFAX	0	0.0	1	0.8	1	0.5
HOLBROOK	0	0.0	1	0.8	1	0.5
ABINGTON	0	0.0	1	0.8	1	0.5
CARVER	0	0.0	0	0.0	0	0.0
COHASSET	0	0.0	0	0.0	0	0.0
HANOVER	0	0.0	0	0.0	0	0.0
HANSON	0	0.0	0	0.0	0	0.0
HULL	0	0.0	0	0.0	0	0.0
PLYMPTON	0	0.0	0	0.0	0	0.0
RANDOLPH	0	0.0	0	0.0	0	0.0
WHITMAN	0	0.0	0	0.0	0	0.0
INSIDE ASSESSMENT AREA	45	71.4	80	65.6	125	67.6
OUTSIDE ASSESSMENT AREA	18	28.6	42	34.4	60	32.4
TOTAL	63	100%	122	100%	185	100%

Source: HMDA/LAR Data for South Shore Cooperative Bank, 1997 & 1998.

A review of South Shore Co-operative Bank's Loan Application Register (LAR) for 1997 indicated that \$24,494,000 in total HMDA reportable loans was originated during this period. A total of \$15,501,000 or 63.3% of the total dollar amount was originated within

the bank's assessment area. The Town of Weymouth represented the highest number of residential loan originations by dollar amount with \$5,727,000 or 23.3%.

The following table provides a breakdown of the bank's residential mortgage originations inside and outside the assessment area by dollar amount.

ASSESSMENT AREA BY DOLLAR AMOUNT

	1997		1998		TOTALS	
LOCATION	000s	%	000s	%	000s	%
WEYMOUTH	1978	24.2	3749	22.9	5727	23.3
BRAINTREE	801	9.8	984	6.0	1785	7.3
QUINCY	735	9.0	741	4.5	1476	6.0
HINGHAM	860	10.5	268	1.6	1128	4.5
SCITUATE	472	5.8	502	3.1	974	4.0
ROCKLAND	264	3.2	446	2.7	710	3.0
KINGSTON	116	1.4	544	3.3	660	2.7
NORWELL	583	7.2	0	0.0	583	2.4
DUXBURY	0	0.0	568	3.5	568	2.3
PLYMOUTH	0	0.0	487	2.9	487	2.0
MILTON	0	0.0	503	3.1	503	2.0
MARSHFIELD	135	1.7	234	1.4	369	1.6
PEMBROKE	291	3.6	0	0.0	291	1.2
ABINGTON	0	0.0	100	0.6	100	0.4
HALIFAX	0	0.0	75	0.5	75	0.4
HOLBROOK	0	0.0	65	0.4	65	0.2
HULL	0	0.0	0	0.0	0	0.0
CARVER	0	0.0	0	0.0	0	0.0
COHASSETT	0	0.0	0	0.0	0	0.0
HANOVER	0	0.0	0	0.0	0	0.0
HANSON	0	0.0	0	0.0	0	0.0
PLYMPTON	0	0.0	0	0.0	0	0.0
RANDOLPH	0	0.0	0	0.0	0	0.0
WHITMAN	0	0.0	0	0.0	0	0.0
INSIDE ASSESSMENT AREA	6235	76.4	9266	56.8	15501	63.3
OUTSIDE ASSESSMENT AREA	1927	23.6	7066	43.2	8993	36.7
TOTALS	8162	100%	16332	100%	24494	100%

Source: HMDA/LAR Data for South Shore Cooperative Bank, 1997 & 1998.

As indicated in the preceding analysis, the bank has originated the majority of its loans within the assessment area. Lending is concentrated in Weymouth, where the bank has its main office (Weymouth) and in those cities which are contiguous to Weymouth,

primarily Braintree and Quincy. Overall, performance in this category meets satisfactory standards.

3. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS

An analysis of residential mortgage loans extended within the bank's assessment area, among various income levels was conducted. Originations were categorized by the ratio of the applicant's reported income to the 1997 and 1998 estimated median family incomes of the Boston and Brockton Metropolitan Statistical Areas (MSAs). The median family income for the Boston MSA was \$59,600 in 1997 and \$60,000 in 1998. The median family income for the Brockton MSA was \$53,900 in 1997 and \$53,900 in 1998. Income figures were based on estimated 1997 and 1998 data from the Department of Housing and Urban Development (HUD).

Low income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA; moderate income is defined as 50 to 79 percent of the median family income; middle income is defined as income between 80 and 119 percent of the median family income; and upper income is defined as income greater than 120 percent of the median family income.

This analysis revealed that the highest number of originations (36.8%) were among upper-income individuals. Loans to low and moderate-income individuals accounted for 29.6% of the bank's residential originations during the period.

Refer to the following table for further detail.

LOAN ORIGINATIONS BY INCOME OF BORROWER **BY NUMBER**

% OF MEDIAN MSA INCOME	1997		1998		TOTAL	
	#	%	#	%	#	%
<50%	1	2.3	4	5.0	5	4.0
50% - 79%	10	22.2	22	27.5	32	25.6
80% - 119%	8	17.8	26	32.5	34	27.2
120% >	19	42.2	27	33.7	46	36.8
NA	7	15.5	1	1.3	8	6.4
TOTAL	45	100%	80	100%	125	100%

Source: HMDA/LAR Data for South Shore Cooperative Bank, 1997 & 1998.

Residential loans originated to individuals of different incomes during the period under review were also analyzed by dollar amount. This analysis indicated that the majority of residential loan dollars went to upper-income individuals. Low and moderate-income individuals received 19.9% of residential loan dollars.

LOAN ORIGINATIONS BY INCOME OF BORROWER
BY DOLLAR AMOUNT

% OF MEDIAN MSA INCOME	1997		1998		TOTAL	
	\$000,s	%	\$000,s	%	\$000,s	%
<50%	35	0.5	219	2.4	254	1.6
50% - 79%	893	14.3	1949	21.0	2842	18.3
80% - 119%	1004	16.1	2984	32.2	3988	25.7
120% >	3236	51.9	3999	43.1	7235	46.7
NA	1067	17.2	115	1.3	1182	7.7
TOTAL	6235	100%	9266	100%	15501	100%

Source: HMDA/LAR Data for South Shore Cooperative Bank, 1997 & 1998.

The distribution of the bank's residential mortgage originations based on borrower income appears to be reasonable given the demographics of the bank's assessment area.

In addition to the above analysis, the bank's performance in lending to borrowers of different incomes was compared to that of other institutions within its assessment area. 1997 HMDA aggregate data was obtained from CRA Wiz, Inc. software. This analysis indicated that while South Shore Co-operative Bank performed somewhat lower than other lenders in lending to low-income borrowers, it performed better than the aggregate in lending to moderate-income borrowers, making 22.2 % of its loans to this income group. This percentage compares to 18.1% for other lenders. The bank made substantially fewer loans to middle-income borrowers (17.8% vs 28.2%) and substantially more loans to upper-income borrowers (42.2% vs 33.2%) in comparison to the aggregate. It is assumed however, that the bank's location in Weymouth and its relationship with mortgage brokers in the towns of Norwell and Braintree, which are upper-income towns on the South Shore, has resulted in a greater proportion of loans in the upper-income ranges.

**SOUTH SHORE CO-OPERATIVE BANK COMPARED TO ALL OTHER
HMDA-REPORTING LENDERS**

Family Income Level	Number of Loans				Dollars in Loans (000's)			
	South Shore Co-op		All Other Reporters		South Shore Co-op		All Other Reporters	
Low	1	2.3	919	4.7	35	0.6	52,091	2.1
Moderate	10	22.2	3,512	18.1	893	14.3	301,988	12.3
Middle	8	17.8	5,480	28.2	1,004	16.1	598,967	24.4
Upper	19	42.2	6,450	33.2	3,236	51.9	1,046,801	42.7
N/A	7	15.6	3,087	15.9	1,067	17.1	453,253	18.5
Total	45	100%	19,448	100%	6,235	100%	2,453,100	100%

Source: CRA WIZ, Inc. aggregate data 1997

The bank's lending activity by borrower income was compared to the proportion of family households categorized by income level. This analysis indicates that South Shore Co-operative Bank has made substantially fewer loans in lower-income groups, at 4.3% than their proportionate representation within the assessment area population. Conversely, the bank made significantly more loans at 27.3% to moderate-income households, which only represent 18.8% of all households. The bank's lending was proportionate to the percentage of families in the middle and upper-income levels. Refer to the table below.

Lending to Borrowers of Different Income Levels
HMDA Lending within Assessment Area

Family Income Level	Family Households		Number of Originations	
	#	%	#	%
Low	19,109	15.1	5	4.3
Moderate	22,512	17.8	32	27.3
Middle	33,697	26.6	34	29.1
Upper	51,138	40.5	46	39.3
Total	126,456	100%	117*	100%

Source: CRA WIZ, Inc Demographic & HMDA data for South Shore Cooperative Bank 1997 & 1998. *Does not include N/A originations

The distribution of credit among borrowers, given the demographics of the assessment area and the above information, reflects a reasonable penetration among individuals of different income levels, including those of low and moderate-income. Therefore, the distribution of credit among different income levels meets the standards for satisfactory performance.

4. GEOGRAPHIC DISTRIBUTION OF LOANS

Lending activity within the assessment area was reviewed in order to determine the extent to which the bank has been able to meet the credit needs of the assessment area.

The information included in the table below indicates that the majority of originations by number (87.2%) were located in census tracts designated as middle-income. Also, of the total mortgage loans originated during the exam period, 1.6% were located in census tracts designated moderate-income and 11.2% were located in census tracts designated as upper-income.

DISTRIBUTION OF HMDA LOANS WITHIN ASSESSMENT AREA BY INCOME CATEGORY OF CENSUS TRACT BY NUMBER

CENSUS TRACT	1997		1998		TOTAL	
LOW	0	0%	0	0%	0#	0%
MODERATE	0	0.0	2	2.5	2	1.6
MIDDLE	39	86.7	70	87.5	109	87.2
UPPER	6	13.3	8	10.0	14	11.2
TOTAL	45	100%	80	100%	125	100%

Source: HMDA/LAR Data for South Shore Cooperative Bank, 1997 & 1998.

The bank's performance with respect to the distribution of credit according to census tract geography is consistent with the demographics of the assessment area and the distribution of census tracts according to income. Approximately 76.0% of all census tracts within the assessment area are middle income, while 17.9% of the census tracts are upper-income.

South Shore Co-operative Bank's distribution of credit according to income level of the census tract was also compared to the number of 1-4 family residential properties located in the various census tracts. A correlation exists between the concentration of housing and the number of loans. The majority of both housing units and loans were made in middle and upper income census tracts.

Refer to the following table.

Distribution of HMDA Loans within Assessment Area by

Income Category of Census Tract

Census Tract Income Category	Number of 1-4 Family Owner-Occupied Properties		Number of Loans	
	#	%	#	%
Low	524	0.3	0	0.0
Moderate	3,671	1.9	2	1.6
Middle	143,381	76.5	109	87.2
Upper	39,708	21.3	14	11.2
Total	187,281	100%	125	100%

CRA WIZ, Inc Demographic & HMDA data for South Shore Cooperative Bank 1997 & 1998.

Based upon the foregoing information, the bank has achieved an acceptable distribution of credit within geographies of different income levels. Therefore, the bank's performance in this criterion meets the standards for satisfactory performance.

5. REVIEW OF COMPLAINTS/FAIR LENDING

South Shore Co-operative Bank has not received any complaints related to its CRA performance since the previous examination. However, the bank has procedures in place should any consumer complaint related to CRA be received. Any complaint received in writing is reviewed with the senior management of the bank and, if it is in regards to a loan decision, with the security committee. The bank will respond within 30 days to any customer complaint.

FAIR LENDING POLICIES AND PRACTICES

South Shore Co-operative Bank does not have a formal fair lending policy however, included in its lending policy are guidelines for non-discriminatory behavior with potential loan applicants. The bank has adequately addressed the guidelines set forth in the Division of Banks' Regulatory Bulletin 2.3-101, Community Reinvestment and Fair lending Policy.

STAFF TRAINING

South Shore Co-operative Bank's staff training program educates employees on fair lending laws and regulations. Bank management has attended seminars that included information on fair lending issues and then disseminated the information to their employees in an effort to heighten awareness of actions that may be construed as discriminatory. Bank management attends, on a regular basis, regulatory/compliance seminars sponsored by The Massachusetts Bankers Association. These seminars include CRA related topics and the bank also receives updates in regards to compliance and fair lending issues.

STAFF COMPOSITION AND COMPENSATION

South Shore Co-operative Bank's staff consists of twenty-seven employees. There are no minorities employed by the bank.

The bank is affiliated with two mortgage brokerage companies located in Norwell and Braintree. The mortgage brokers originate and process the loan and the bank completes final underwriting. The loan closes in the bank's name.

OUTREACH

The bank's Board and Management are active in the community through its membership in various civic groups and community organizations. The Board's outreach efforts include membership in the South Shore Board of Realtors and the Mass. Mortgage Bankers Association. Also, management is involved with Work, Inc., Quincy which aids in the training of the mentally handicapped to work and live independently in their community.

CREDIT PRODUCTS AND UNDERWRITING STANDARDS

South Shore Co-operative Bank offers an adjustable rate first-time homebuyer loan product with no points, reduced interest rate, higher qualifying ratios and a 95.0% loan-to-value ratio with private mortgage insurance. During the current examination period, the bank originated five first time homebuyer loans totaling \$582,000.00 under this program.

South Shore Co-op Bank is a participating Small Business Association (SBA) Lender and is actively offering loans under the SBA 7(a) Program, 504 Certified Development Company Program and Low Documentation Program. Rates, terms, and conditions are in accordance with the lending policies currently set forth by the SBA.

MARKETING

The bank utilizes various advertising and promotional activities to inform all segments of the assessment area about products and services it offers. Advertisements are placed in local newspapers available throughout the assessment area. Loan products are advertised in the "The Patriot Ledger", "Bankers and Tradesman", the South Shore Chamber of Commerce "Waves" publication and various other trade magazines.

CREDIT EDUCATION

South Shore Co-operative Bank has not participated in any consumer education seminars.

COUNSELING

The bank provides customers who have delinquent mortgage payments with a list of outside credit counseling services.

SECOND REVIEW PRACTICES

The Senior Underwriter and the loan officer review all denied applications on a regular basis. Recommendations presented to the security committee on a quarterly basis are reviewed

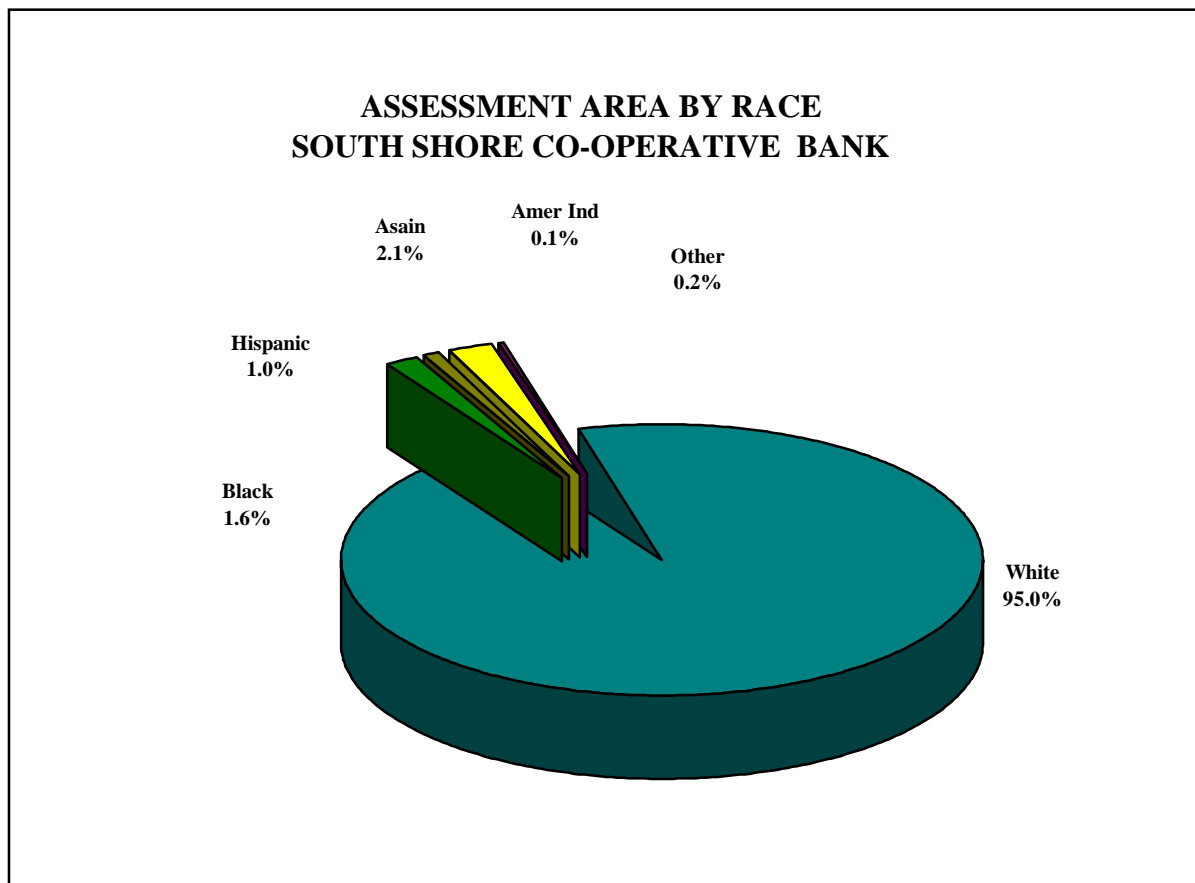
individually. This is to ensure that underwriting criteria have been properly and fairly applied and that all compensating factors have been taken into account and applied consistently.

INTERNAL CONTROL PROCEDURES

The bank reviews the HMDA/ LAR data on a quarterly basis. The bank's security committee reviews loan files periodically to ensure that the data is being inputted correctly on the Loan Application Register. Self-testing is performed by an independent auditing firm.

MINORITY APPLICATION FLOW

The graph below illustrates the bank's assessment area population by race.



An analysis of the bank's minority population by race revealed that the minority population within the bank's assessment area totals 4.8%. In 1997, the bank had no minority applications in comparison to an aggregate minority application rate of 5.6% within the assessment area.

In year to date 1998, the bank received four applications from minority applicants. This represents 2.1% of the bank's applications for this period. Of the applications submitted by minority applicants, one or 0.5% was submitted by a Native-American applicant and three or 1.6% were submitted by African-American applicants. Of these applications, two were originated and two were approved but not accepted by the applicants.

INVESTMENTS

As defined under the revised CRA regulation, a qualified investment is a lawful investment, deposit, membership share or grant that has community development as its primary purpose. Community development includes affordable housing for low and moderate-income individuals, community services targeted to low and moderate-income individuals, activities that promote economic development by financing small businesses or small farms, and activities that revitalize or stabilize low and moderate-income geographies. In recognition of the many legal limitations on bank investments, and the long-term nature and complexity of many community development investments, the CRA regulation allows some reasonable consideration for the entire bank portfolio of qualified investments, not just those made since the previous CRA examination. The following describes the institution's qualified investments.

Donations

During the period examined, South Shore Co-operative Bank made total donations in the amount of \$17,478. Of these donations \$3,775 could be considered qualified donations.

Organizations that received qualified donations included: South Shore Hospice, Marge Crispin Center, Feed the Hungry, Dove of Quincy (Battered Women's Shelter), Weymouth Housing, Work Inc. (employment for low-income individuals), South Shore Habitat for Humanity, Mainspring House, South Shore ARC (Association for Retarded Citizens), Weymouth Food Pantry.

SERVICES

The bank's Senior Vice President and Senior Loan Officer serves as an audit committee member of Work, Inc., Quincy. Work Inc. is a nonprofit organization dedicated to assisting low-income individuals with employment opportunities and services.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

SOUTH SHORE CO-OPERATIVE BANK

For compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **JANUARY 4, 1999**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

_____	_____
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_____	_____
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_____	_____

A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 19 ____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each local community;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one local community, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that community.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.